



COUNCILMEMBER DONNA FRYE
City of San Diego
Sixth District

MEMORANDUM

DATE: August 29, 2005

TO: Toni Atkins, Deputy Mayor

FROM: Councilmember Donna Frye

**SUBJECT: Nomination of Diann Shipione and Steven Schanes to the SDCERS
Board of Trustees**

I respectfully submit to you for consideration the nominations of Ms. Diann Shipione and Dr. Steven Schanes to the San Diego City Employees Retirement System (SDCERS) Board. Both nominees have agreed to serve on the SDCERS Board with the caveat that seven new board members be appointed. I believe that the Council needs to appoint a new slate of pension board members in order to move our City closer to resolving the current fiscal crisis. Also, after speaking with Mitch Mitchell of the San Diego Regional Chamber of Commerce, it is my understanding that the Chamber of Commerce is also supportive of appointing seven new board members.

Ms. Shipione is well-qualified, honest, has great integrity and has worked in the financial services industry for nearly 20 years. She is currently the Vice President of Investments with UBS Financial Services. Ms. Shipione will also provide institutional memory for incoming board members. Ms. Shipione has earned the respect and trust of the public, and takes seriously and understands her fiduciary responsibilities as a trustee.

Dr. Schanes has more than 50 years of experience as an employee benefits plan consultant and administrator. His clients have included federal, state and local governments, single and multi-employer benefit plan sponsors and trustees with regard to benefit plan design, administration and communications. His past positions include serving as the first Executive Director of the U.S. Pension Benefit Guaranty Corp., the U.S. Department of Commerce Assistant to the Secretary for Policy Development during the development and enactment of the Employee Retirement Income Security Act of 1974 (ERISA), the Director of the New Jersey State Division of Pensions and the President of the National Association of State Social Security Administrators.

Appointing Ms. Shipione and Dr. Schanes will send a strong message to all concerned that our City is serious about resolving the pension crisis.

cc: Honorable City Councilmembers
Honorable City Attorney, Michael Aguirre

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